

**REAL ESTATE APPRAISERS BOARD  
MINUTES  
MADISON, WISCONSIN  
OCTOBER 18, 2000**

**PRESENT:** Paul “Rick” Vozar, Patrick Buckett, LaMarr Franklin, Mary Reavey (until 12:04), Lill Hauschild and Gary Cuskey

**STAFF PRESENT:** Alfred Hall, Jr., Becky Fry, and Ruby Jefferson-Moore, Legal Counsel; Division of Enforcement staff for portions of the meeting

**GUESTS:** Vicki Ledbetter, Appraisal Subcommittee  
Kathryn Gearheard, Appraisal Subcommittee  
Debbie Conrad, WRA

**CALL TO ORDER**

Rick Vozar, Chair, called the meeting to order at 9:34 a.m., upon confirmation that the public notice was timely given. A quorum of six members was present.

**AGENDA**

**MOTION:** Gary Cuskey moved, seconded by Patrick Buckett, to adopt the agenda as published. Motion carried unanimously.

**MINUTES (8/23/00)**

**MOTION:** LaMarr Franklin moved, seconded by Lill Hauschild, to approve the minutes as written. Motion carried unanimously.

**ADMINISTRATIVE REPORT**

**Bureau Director's Report**

Mr. Hall introduced Vicki Ledbetter and Kathryn Gearheard, representatives from the Appraisal Subcommittee.

Mr. Hall explained to the Board that Kim Nania would no longer be serving as the department liaison to the Board and he would be resuming that responsibility.

Mr. Hall informed the Board that he attended the USPAP 2001 instructor training workshop and indicated that it was very informative.

- **Board Roster**

The Board received a copy of the August 2000 roster. Minor corrections were noted.

- **2001 Meeting Dates**

The Board received a copy of the 2001 proposed meeting dates. Noted.

- **10/00 Regulatory Digest Draft**

The Board noted the digest draft.

- **To-Pass Folder**

Information was circulated in the To-Pass Folder and duly noted.

## **EXAMINATION ISSUES**

### **Selection of a Committee to Write and Review Questions for the Statutes and Rules Exam (Tichenor)**

Darwin Tichenor was not available to address the Board. Mr. Hall indicated that Mr. Tichenor is in the process of selecting a committee to write and review questions related to the statutes and rules examination and he would be contacting Board members for assistance.

## **LEGISLATIVE ISSUES**

None.

## **ADMINISTRATIVE RULES**

### **Update of CR 00-097 Relating to the 2000 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP)**

Mr. Hall noted the progress of the update.

## **REVIEW OF APPLIATIONS FOR CONTINUING EDUCATION COURSE APPROVAL**

Mr. Hall removed this item from the agenda. He indicated that the advisory committee would be dealing with this issue.

## **BOARD MEMBER ACTIVITY**

Mr. Hall and Mr. Vozar will speak at the next appraisal institute meeting on the activity of the Board.

## **APPRAISAL FOUNDATION**

### **Appraisal Standards Board**

- **USPAP Q & A – August 2000**

Noted.

Ruby Jefferson-Moore reminded the Board that there was a previous suggestion to include this information in the Regulatory Digest.

### **Appraisal Qualifications Board**

- **Press Releases**

AQB Request for Written Comments on 2<sup>nd</sup> Exposure Draft of Proposed Changes to the Qualifying and Continuing Education Sections of “The Real Property Appraiser Qualification Criteria and Interpretations of the Criteria” and the Proposed USPAP Instructor Certification Program – Outline of Major Provisions.

The Board discussed their concerns with the 2<sup>nd</sup> exposure draft including concerns about individuals not using the current USPAP standards and course materials needed for USPAP qualifying education, new and upcoming instructors and their qualifications to become instructors, and the possibility of a shortage of instructors in the future.

The Board discussed and recommended distance learning education and the use of Internet or videoconference training to ensure availability of courses, in view of the shortage of instructors, and the time and cost of travel.

Vicki Ledbetter addressed the criteria for certification of instructors.

**MOTION:** Mary Reavey moved, seconded by Lill Hauschild, to draft a letter to the AQB relating to the Board’s concerns relating to the 2<sup>nd</sup> exposure draft. Motion carried unanimously.

### **AQB Memo Re: Mass Appraisal Experience**

The Board discussed the issue of individuals trying to gain experience credits through the mass appraisal process. The Board concluded that experience credits must conform to USPAP Standard 6 and that experience applications submitted must have clarifying documentation.

Mary Reavey addressed a question as to whether all assessors in Wisconsin are required to be licensed appraisers. Ms. Reavey indicated that assessors must be certified assessors bound in a sense by USPAP. The property assessment manual guide to appraising property for assessment purposes indicates that an assessor is to assess according to professionally acceptable appraisal practices and USPAP is the professionally acceptable appraisal practice.

Kathryn Gearheard reported on the purpose of the State Regulator Survey.

Mary Reavey, Judy Mender, and Ruby Jefferson-Moore will complete the State Regulator Survey relating to mass appraisal experience.

**ASSOCIATION OF APPRAISER REGULATORY OFFICIALS**

## **Correspondence**

- **AARO Amended By-Laws**

Mr. Hall advised the Board that AARO is seeking a new representative to the Appraisal Foundation Advisory Committee.

Kathryn Gearheard reviewed the Appraisal Foundation Advisory Committee's scope of practice.

- **Riddell**

### **Eliminating de Minimis**

The Board discussed the impact of the elimination of de Minimis.

Mr. Hall addressed the difference in opinion between the Board and the Department and assured the Board that its opinion would be conveyed.

**MOTION:** Mary Reavey moved, seconded by Patrick Buckett, to support AARO's position and to agree with the elimination of de Minimis. Motion carried unanimously.

## **PRACTICE ISSUES**

Nothing to discuss.

## **MISCELLANEOUS CORRESPONDENCE/INFORMATION**

Mary Reavey gave a general overview of the practice of property flipping.

Vicki Ledbetter discussed the issue of identifying an improper transaction or fraudulent activity.

Rick Vozar will draft a letter in response to the Real Estate Board and the Department of Financial Institutions regarding the concern of fraudulent and unethical financing practices.

## **NEW BUSINESS**

None.

## **RECESS TO CLOSED SESSION**

**MOTION:** LaMarr Franklin moved, seconded by Gary Cuskey, to convene the meeting in Closed Session pursuant to Sections 19.85(1)(b) and (f), Wis. Stats.: to consider the licensing or discipline of a person licensed by the Department or the investigation of charges against such a person. Specifically, to discuss the issue of case status reports, case closings, monitoring reports, deliberations on stipulations that may be signed after printing of the agenda, pending applications, and disciplinary proceedings. Motion carried by a

roll call vote: LaMarr Franklin-yes; Patrick Buckett-yes; Mary Reavey-yes; Lill Hauschild-yes; Gary Cuskey-yes; and Rick Vozar-yes.

Closed Session convened at 11:10 a.m.

The Board deliberated on case status reports, a monitoring report, a DOE report on appraiser complaints, case closings, a stipulation and disciplinary matters.

### **RECONVENE IN OPEN SESSION**

**MOTION:** Gary Cuskey moved, seconded by Patrick Buckett, to reconvene in open session at 12:34 p.m.

Mary Reavey was not in attendance for voting on closed session items.

Willie Garrett distributed copies of the October 18, 2000, memo addressing older pending complaints and reviewed the procedures for Administrative Closure.

### **VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION**

#### **MONITORING REPORT**

The Board referred the monitoring report for Carolyn Tesar back to the Division of Enforcement for non-compliance of Board order.

#### **CASE CLOSINGS**

**MOTION:** Gary Cuskey moved, seconded by LaMarr Franklin to close 99 APP 008, for P4, the conduct of the credential holder may constitute negligence but does not constitute practice below the minimal standards of the profession. Motion carried with Rick Vozar abstaining. (Mary Reavey was not present.)

The Board noted that Bayshore Mortgage 6 is out of business.

**MOTION:** LaMarr Franklin moved, seconded by Lill Hauschild, to close 99 APP 014, for P2, there may have been a minor or technical violation but a decision was made not to commence formal disciplinary action on the grounds that compliance with statutes or rules has been gained. Motion carried with Rick Vozar abstaining. (Mary Reavey was not present.)

**MOTION:** Lill Hauschild moved, seconded by Patrick Buckett to close 99 APP 019, for NV 3.1, there is sufficient evidence to show that no violation of statutes or rules occurred. Motion carried with Rick Vozar abstaining. (Mary Reavey was not present.)

### **ADMINISTRATIVE CLOSURE**

**MOTION:** Gary Cuskey moved, seconded by LaMarr Franklin, to close the following cases for Administrative Closure. Motion carried unanimously. (Mary Reavey was not present.)

93 APP 013  
96 APP 035  
94 APP 003  
94 APP 003  
94 APP 018

98 APP 042  
94 APP 038  
95 APP 003  
95 APP 012  
97 APP 012

### **DISCIPLINARY MATTERS**

The Michael A. Schneider case was removed from the disciplinary action items.

Ruby Jefferson-Moore distributed information regarding petitions for rehearing procedures.

#### **Peter Malone (McFarland, WI)**

**MOTION:** LaMarr Franklin moved, seconded by Patrick Buckett, to approve the order fixing costs and the affidavit of costs for LS9809081APP, Peter Melone, submitted by Division of Enforcement and Legal Services. Motion carried unanimously. (Mary Reavey was not present.)

### **STIPULATION**

#### **Thomas E. Hess (New Holstein, WI)**

**MOTION:** Lill Hauschild moved, seconded by Gary Cuskey, to accept Stipulation for 98 APP 029 and 98 APP 048, Thomas E. Hess. Motion carried with Patrick Buckett abstaining. (Mary Reavey was not present.)

### **APPRAISAL SUBCOMMITTEE REVIEW**

#### **On-Site Visit October 18, 2000**

Vicki Ledbetter and Kathryn Gearheard, representatives of the Appraisal Subcommittee, performed a field review at the Department of Regulation and Licensing on October 17 and 18, 2000. The field review focused on enforcement of the licensing and certification program at the state level. A report summarizing the field review will be prepared for the Appraisal Subcommittee. The Subcommittee will send a letter to the Board addressing any concerns and possible solutions to them. The Subcommittee will request that Department staff prepare a response to its letter. Vicki Ledbetter informed the Board that she is very pleased with the changes that have been made over the last three years.

### **SUCH OTHER ITEMS AS AUTHORIZED BY LAW**

None.

## **ADJOURNMENT**

**MOTION:** Gary Cuskey moved, seconded by Patrick Buckett, to adjourn the meeting at 1:31 p.m. Motion carried unanimously. (Mary Reavey was not present.)

Next Meeting: February 28, 2001